

Persons engaged in the business of selling tangible personal property at retail are subject to the Retailers' Occupation Tax Act. 35 ILCS 120/2 (1998 State Bar Edition).

January 11, 2002

To Whom It May Concern:

It has come to our attention that your business may be making an overcollection of tax on its pizza sales. Illinois law requires that all overcollections of tax must either be turned over to the Department or refunded to the customer. See, 35 ILCS 120/2-40. Furthermore, when overcollection of sales tax in Illinois is determined to be intentional, each offense constitutes a Class 4 felony. See, 35 ILCS 120/13.

The current sales tax rate in CITY, Illinois is 6.5%. The Illinois Department of Revenue has received information that appears to indicate that a sales tax rate as high as 9.5% has been collected by your business. This appears to be an overcollection of 3%. Please take this opportunity to ensure that the amount of sales tax you are collecting on your pizza sales is correct. If you have any questions regarding this letter, or about local tax rates, please feel free to contact either of us at 217-782-2844.

Very truly yours,

Shane McCreery

By:
Jerilynn Gorden
Senior Counsel – Sales & Excise Taxes

SM:JTG:msk